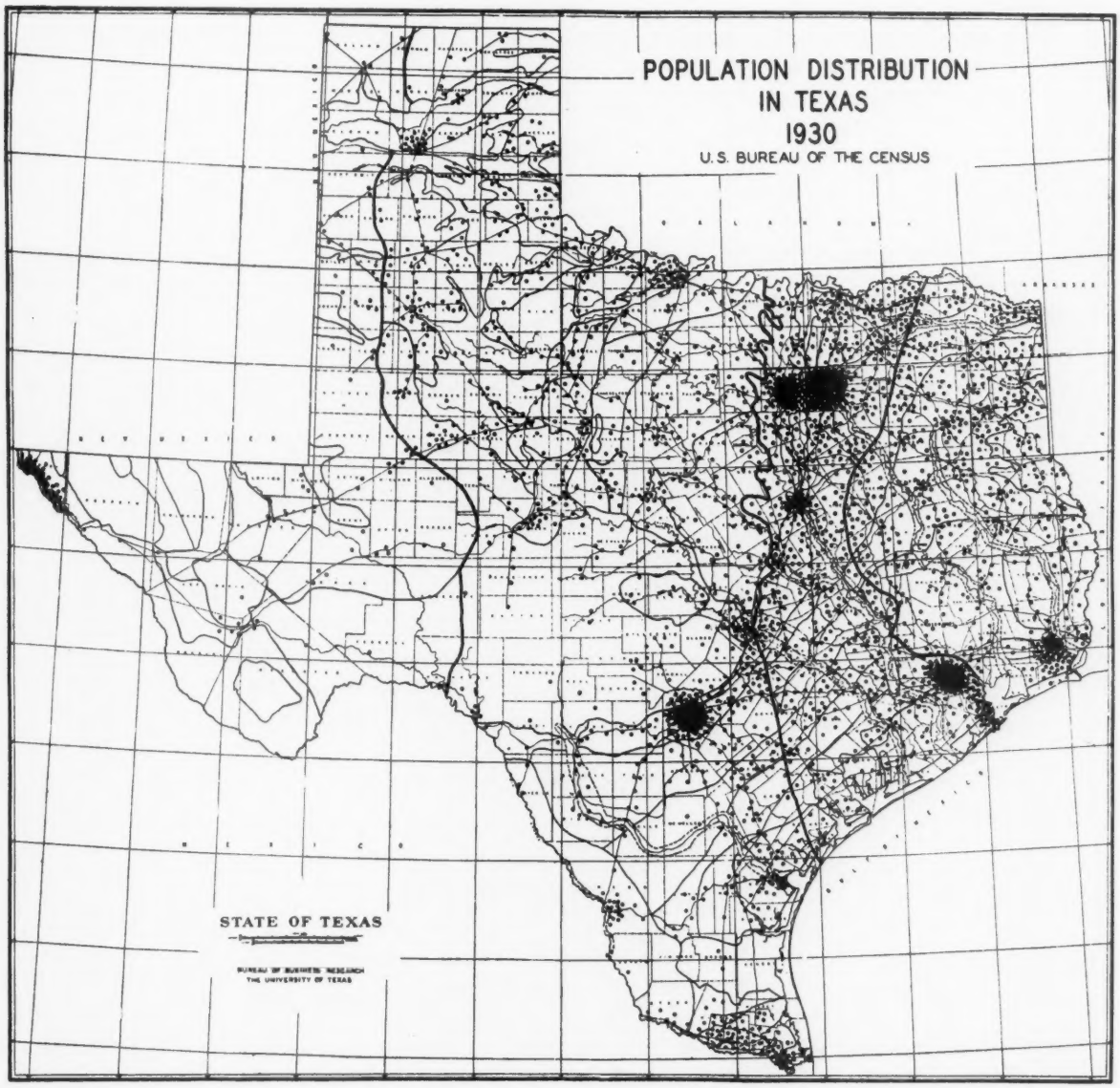
TEXAS BUSINESS REVIEW

Bureau of Business Research
The University of Texas

Vol. X, No. 8 September 28, 1936



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TEXAS BUSINESS REVIEW

A Monthly Summary of Business and Economic Conditions in Texas and the Southwest
Bureau of Business Research, The University of Texas, Austin, Texas

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Vol. X, No. 8 September 28, 1936

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Business Review and Prospect

THIS issue of the TEXAS BUSINESS REVIEW introduces a number of new features. Several statistical series reflecting the condition of Texas industry, agriculture, and trade have been developed for a sufficient number of years to give a certain degree of historical perspective to the current monthly information regularly assembled and published by this Bureau. These series represented by charts will become more and more significant as a means of interpreting the business trends of the State as additions are made to the series month by month and year by year.

On the front cover page there will appear each month a significant map or chart relating to the social and economic life of the State. The text of the publication will be devoted to the interpretation of Texas industrial, commercial, and agricultural activity and their relation to national and international affairs.

Indexes of Business Activity in Texas.—One of the charts represents the trend of business activity in Texas in a number of important lines. The index numbers representing the trend in employment, pay rolls, department store sales, car loadings of miscellaneous freight, runs of crude oil to stills, and new passenger car registrations, are charted separately and then combined. The composite index chart is shown in the upper left-hand corner on the next page and represents the general course of business activity in the State.

Index Numbers.—The index number in each month in each series is determined by dividing the number representing the average month in 1930 into each number in the series. An index number is, therefore, merely the percentage relationship which each month in the series bears to the base month. The advantage in presenting different series of figures as index numbers, or percentages of a base, is that these series may then be readily compared and also combined.

Employment and Pay Rolls.—It will be noted that when the index numbers on employment and pay rolls are plotted together on the same chart, the two lines run closely together during 1929, 1930, and the first half of 1931. After the middle of 1931, the lines spread farther and farther apart, reaching a maximum spread in 1933 and 1934. Since then the two lines have been coming closer together; and if the present tendency continues, they should again be together about 1937 or 1938. These represent the usual pattern for charts of employment and pay rolls and probably mean that during a depression not only are wages lowered but many workers are kept on the pay rolls at part time. Therefore, the decrease in the number of workers during the downward phase of the business cycle is less rapid than that of pay rolls, and conversely, the increase in the number of workers during the upward phase in the cycle is less rapid than the increase in pay rolls. The index of both employment and pay rolls in Texas rose rapidly from the spring to the fall of 1933, after which there was almost no increase in the number employed and only a very gradual increase in pay rolls for more than two years, or until March of this year. Since then there has been a substantial increase from month to month in the number of workers and an even sharper increase in pay rolls. The number of workers is now 14.1 per cent below the 1930 average, and pay rolls are 21.8 per cent below that average.

Department Store Sales.—The index of Texas department store sales reached its low point in the spring of 1933, and with the exception of minor recessions has shown a strong upward trend ever since. The increase has been especially rapid in recent months, and the index has now almost reached the base period, the average month in 1930.

Car Loadings.—Loadings of miscellaneous freight, like employment and pay rolls, provide a good index of business activity because they reflect the activity in so many different kinds of industry and trade. They were accordingly given considerable weight in computing the composite index. The rise in car loadings was very slow and uncertain until the fall of 1935, but since then the car loadings trend has been definitely upward, with present indications that the rise will continue.

Runs of Crude Oil to Stills.—Runs of crude oil to stills is a good index of activity in the oil refining industry, the major industrial enterprise of Texas. It is noteworthy that even in the depression years the index of runs of crude oil to stills was slightly greater than in the year 1929, which was the peak year for most industries. During the past three years, the monthly index has shown a rapidly rising trend and is now 40 per cent above the base period, the average month of 1930.

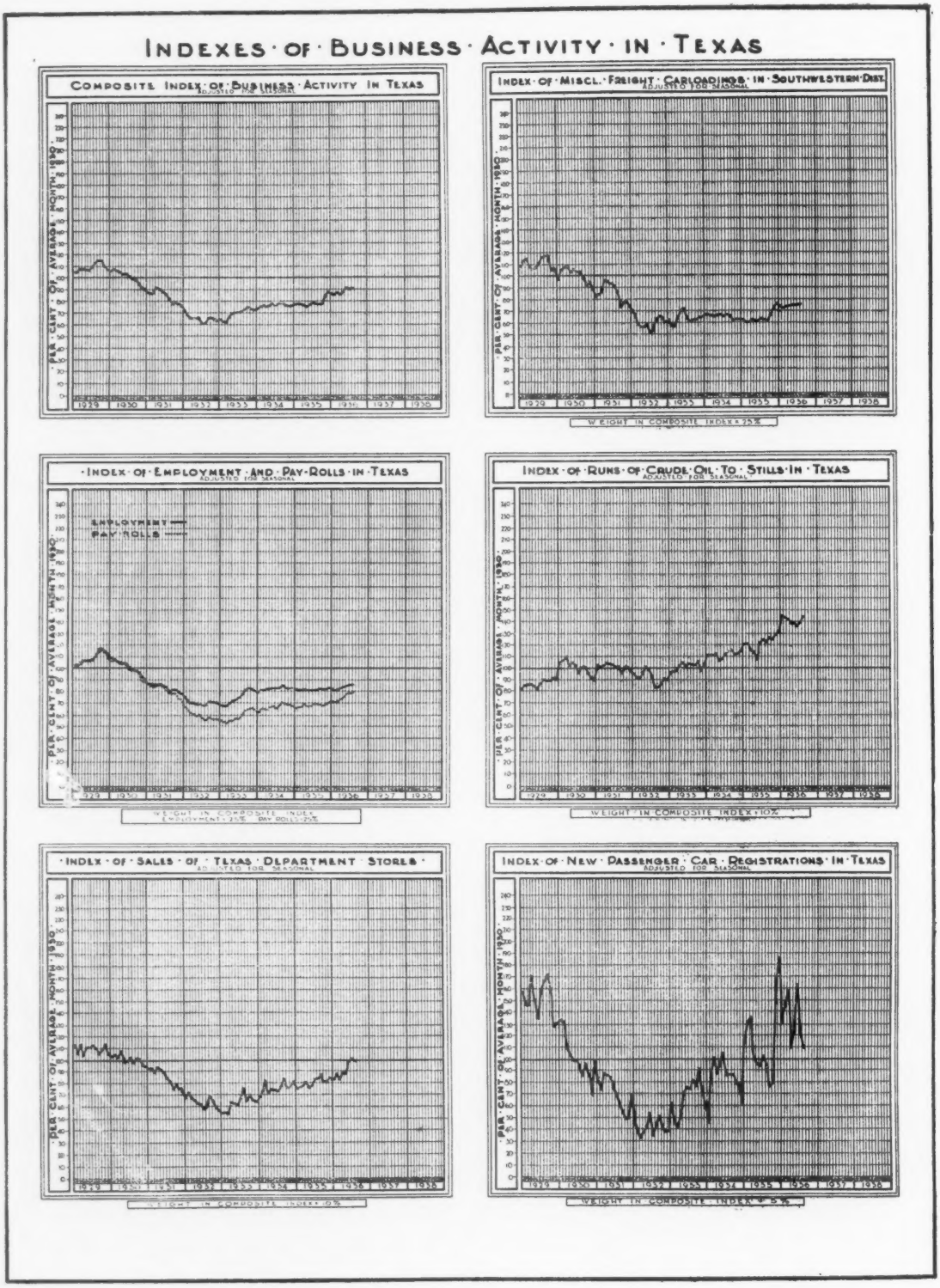
Passenger Car Registrations.—New passenger car registrations show wide cyclical swings. At the low point in 1932 the index of Texas registrations was only about one-third that of 1930 and less than one-fourth that of 1929. During the current year the index is almost back to where it was in 1929.

Composite Index of Texas Business Activity.—When all of the indexes are combined and weighted according to their relative importance, it may be seen from the chart that business activity in Texas reached its lowest point in the summer of 1932. The index then rose rather sharply for two months, after which, until March 1933, it declined to a point almost as low as that reached in the preceding summer. For the remainder of 1933 the index rose consistently, but during 1934 and the first half of 1935 the index chart remained on an almost horizontal level. Since the fall of 1935 the trend of the index has been definitely upward.

INDEXES OF AGRICULTURAL INCOME IN TEXAS

Agricultural cash income is the product of two factors —quantities marketed, and the price per unit of product. A monthly index of farm cash income is therefore far more significant to business men, farm leaders, public

(Continued on page 7)


INDEXES OF BUSINESS ACTIVITY IN TEXAS
COMPOSITE INDEX OF BUSINESS ACTIVITY IN TEXAS
ADJUSTED FOR SEASONAL
PER CENT OF AVERAGE MONTH 1930
1929 1930 1931 1932 1933 1934 1935 1936 1937 1938
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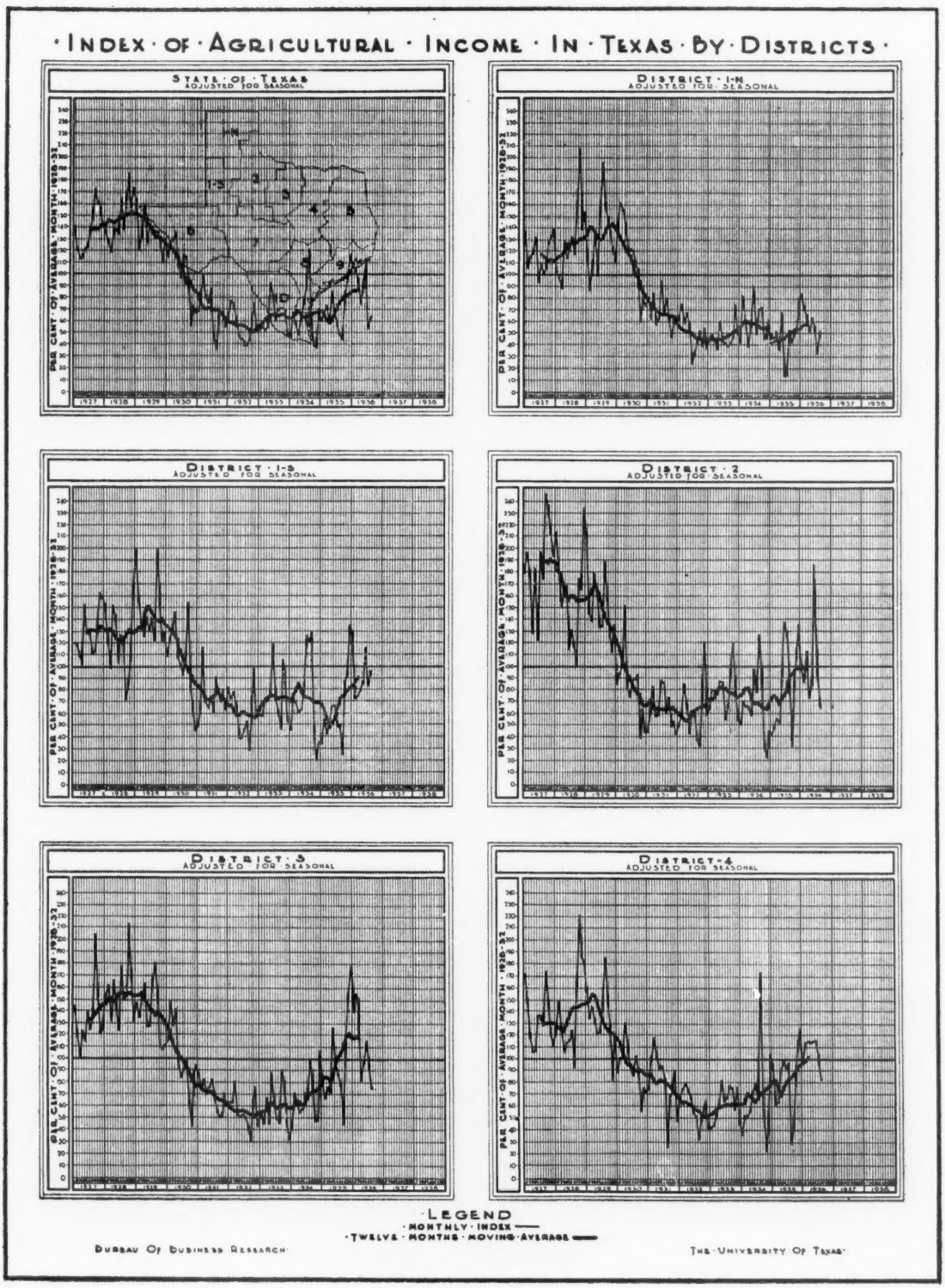
ADJUSTED FOR SEASONAL
PER CENT OF AVERAGE MONTH 1930
1929 1930 1931 1932 1933 1934 1935 1936 1937 1938
WEIGHT IN COMPOSITE INDEX = 25%
INDEX OF EMPLOYMENT AND PAY-ROLLS IN TEXAS
ADJUSTED FOR SEASONAL
EMPLOYMENT
PAY ROLLS
PER CENT OF AVERAGE MONTH 1930
1929 1930 1931 1932 1933 1934 1935 1936 1937 1938
WEIGHT IN COMPOSITE INDEX
EMPLOYMENT 25% PAY ROLLS 25%
INDEX OF RUNS OF CRUDE OIL TO STILLS IN TEXAS
ADJUSTED FOR SEASONAL
PER CENT OF AVERAGE MONTH 1930
1929 1930 1931 1932 1933 1934 1935 1936 1937 1938
WEIGHT IN COMPOSITE INDEX 10%
INDEX OF SALES OF TEXAS DEPARTMENT STORES
ADJUSTED FOR SEASONAL
PER CENT OF AVERAGE MONTH 1930
1929 1930 1931 1932 1933 1934 1935 1936 1937 1938
WEIGHT IN COMPOSITE INDEX 15%
INDEX OF NEW PASSENGER CAR REGISTRATIONS IN TEXAS
ADJUSTED FOR SEASONAL
PER CENT OF AVERAGE MONTH 1930
1929 1930 1931 1932 1933 1934 1935 1936 1937 1938
WEIGHT IN COMPOSITE INDEX = 5%


INDEX OF AGRICULTURAL INCOME IN TEXAS BY DISTRICTS
STATE OF TEXAS
ADJUSTED 100 SEASONAL
DISTRICT 1-N
ADJUSTED FOR SEASONAL
DISTRICT 1-S
ADJUSTED FOR SEASONAL
DISTRICT 2
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DISTRICT 3
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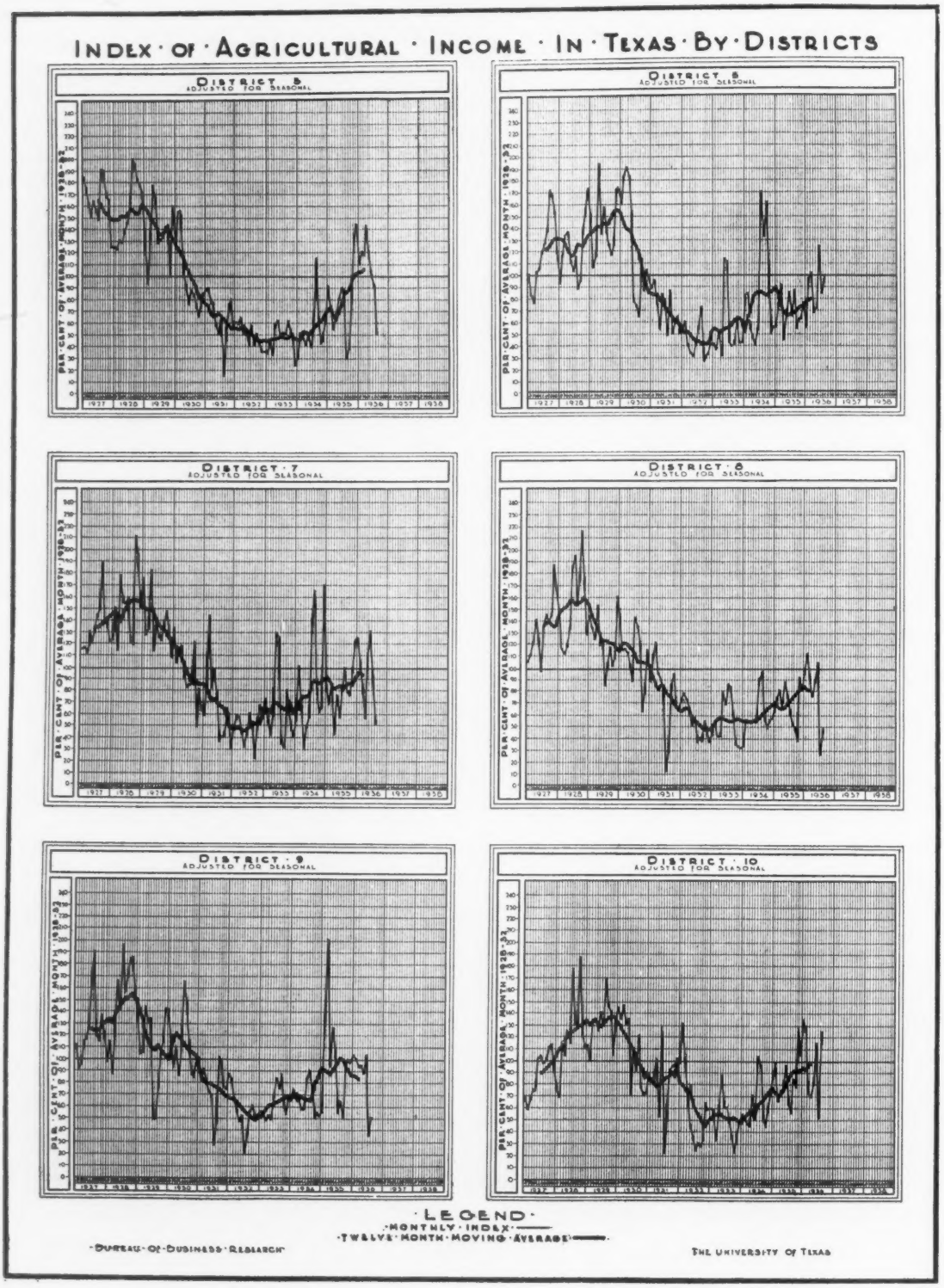
DISTRICT 4
ADJUSTED FOR SEASONAL
PER CENT OF AVERAGE MONTH 1928-32
1927 1928 1929 1930 1931 1932 1933 1934 1935 1936 1937 1938
LEGEND
MONTHLY INDEX
TWELVE MONTHS MOVING AVERAGE
BUREAU OF BUSINESS RESEARCH
THE UNIVERSITY OF TEXAS


INDEX · OF · AGRICULTURAL · INCOME · IN · TEXAS · BY · DISTRICTS
DISTRICT 5
ADJUSTED FOR SEASONAL
DISTRICT 6
ADJUSTED FOR SEASONAL
DISTRICT 7
ADJUSTED FOR SEASONAL
DISTRICT 8
ADJUSTED FOR SEASONAL
DISTRICT 9
ADJUSTED FOR SEASONAL
DISTRICT 10
ADJUSTED FOR SEASONAL
PER CENT OF AVERAGE MONTH 1928-32
1927 1928 1929 1930 1931 1932 1933 1934 1935 1936 1937 1938
LEGEND
MONTHLY INDEX
TWELVE MONTH MOVING AVERAGE
BUREAU OF BUSINESS RESEARCH
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(Continued from page 3)

officials, and the public generally, than is an index either of price per unit or volume marketed, each taken separately. For it often happens that prices per unit of product may be high and the quantity marketed relatively small, or vice versa, so that an index based upon either of these factors alone does not reflect the actual current economic conditions of the rural population.

Moreover, in a State as large as Texas with widely varied natural conditions resulting in specialization in agricultural production, an index of agricultural income for the State as a whole usually does not reflect the actual situation in certain important regions or areas in the State. For example, extremely small wheat crops even with fair prices have for the past two years resulted in low farm cash income in the northern portion of the Texas Panhandle, where the bulk of Texas wheat is normally grown. At the same time, more nearly normal production and prices of livestock are favorably affecting the Edwards Plateau region, where the major portion of the income is derived from livestock and livestock products. In those regions of the State in which cotton is the main source of agricultural income, the index of cash income continues to lag, because both the price and the volume of cotton marketed remains far below normal.

The net result of these conflicting regional conditions is that while the index of agricultural cash income in some regions or districts is rising, in others it is either stationary or falling; and the index for the State is therefore showing no definite trend either way.

Crop Reporting Districts of Texas.—In order more significantly to reflect agricultural cash income than merely for the State as a whole, indexes of farm cash income have been computed for each of the eleven crop reporting districts of the State as well as for the entire State. These districts were delineated a few years ago by the United States Department of Agriculture so as to correspond closely to the major natural regions of the State. In subsequent issues of the REVIEW, the dominant physical forces in each of these districts (which are reflected in the statistics of farm income) will be discussed in this publication in a series of articles by Mr. Elmer H. Johnson.

Indexes of Farm Cash Income.—The indexes of farm cash income by districts and for the State will be reported monthly in the REVIEW, and the charts presented in this issue for the first time will be brought up to date in three-month intervals. Lack of space prevents the inclusion in the present issue of the REVIEW of a more detailed analysis of the statistics underlying the charts which are presented in this number.

These underlying statistics will be discussed from month to month in conjunction with Mr. Johnson's analysis of the physical characteristics of the crop reporting districts mentioned above. It is suggested that this copy of the REVIEW be carefully filed for reference during the two months in which the charts on the index of agricultural income will not appear.

F. A. BUECHEL.

For Other Texas Data, See Statistical Tables at the End of This Publication

Financial

The last summary of financial news presented by the REVIEW appeared in the June issue. Since then, the general direction of major trends in the money and security markets has been unchanged. Further, there appears to be little indication of any important change in the near future, at least not before the general elections in November.

Money in circulation continues to be abnormally high. As of September 9, the quantity of money in circulation (adjusted for seasonal variation) was $6,219,000,000. This figure compares with $5,607,000,000 one year ago and with an average of $4,524,000,000 for September 1929. The volume of currency in circulation has been increasing almost continuously since December 1934, apparently as a result of steadily increasing business needs. During the last three weeks of June, the quantity of money in circulation increased sharply by about $310,000,000 reflecting the cashing of soldiers' "adjusted compensation certificates." The return flow of this cash to banks has been much slower than was expected, approximately one-half still being in circulation.

The inflow of gold into the United States has continued rather steadily throughout the summer although the volume has been materially lower than in preceding months. As of September 9, the total monetary gold stock was reported at $10,736,000,000, the net increase from June 1 to September 9 amounting to some $362,000,000. As heretofore, the bulk of this gold has come from France, which country continues to experience a flight of capital as a result largely of political uncertainties and an unbalanced national budget. Recently, renewed rumors of early franc devaluation have appeared, a possibility which appears more probable in view of the increasingly more stringent regulations adopted by the French Government to check the export of capital funds.

Since June 1 commercial bank deposits have continued to expand steadily, largely as the result of continued gold imports and further Treasury deficit financing. Adjusted demand deposits of the reporting member banks were reported at $14,867,000,000 on September 2, which figure compares with $14,562,000,000 on May 27, and with $13,168,000,000 on September 4, 1935. During the past three years, the expansion of bank deposits has been almost unbelievably rapid as is indicated by the following data. Total deposits (other than interbank) of all banks in the United States aggregated $37,998,000,000

on June 30, 1933. On March 4, 1936, this figure had leaped to $48,771,000,000, at which level it was approaching the record high of $56,766,000,000 reported on December 31, 1928. The prospect, of course, is for further expansion, partly from gold imports, partly from expanding commercial loans, but chiefly from Treasury borrowing.

Despite the recent action of the Federal Reserve Board, excess reserves of the member banks continue to be enormous. These excess reserves, it will be recalled, represent idle cash owned by the member banks which could be loaned at any time and thus could serve as the base for an immense further expansion of bank deposits. From January 1 of this year to August 15, these excess reserve balances ranged between $2,400,000,000 and $3,200,000,000. As of August 12 they were reported at $3,167,000,000.

In order to cut down these excessive balances, which should be regarded as a serious inflation threat, the Federal Reserve Board on August 15 made effective an increase of 50 per cent in the legal reserve requirements of all member banks. Authority for this action is found in the Banking Act of 1935, which grants the Board power to raise legal reserve requirements as much as 100 per cent above the 1935 levels. As a result of increasing legal reserves by 50 per cent, excess reserve balances on August 15 were reduced from $3,260,000,000 to $1,790,000,000. Since then these balances have grown to approximately $2,000,000,000. It is interesting to note that the member banks met the increased reserve requirements very easily, virtually no borrowing from the Reserve Banks and only a modest shift from correspondent balances taking place.

Commercial banks are still finding it extremely difficult to employ their loanable funds despite a steady increase in the business demand for bank credit. Loans on securities (chiefly used to finance stock speculation) for the reporting member banks totaled $3,177,000,000 on September 2, a decrease of $47,000,000 since May 27. "Other loans," however, representing mostly commercial lending, continued to expand rather steadily throughout the summer. As of September 2, such loans of the reporting member banks aggregated $3,749,000,000, an increase of $207,000,000 since May 27 and of $470,000,000 since a year ago. Apparently the cyclical upswing in bank commercial lending is definitely in progress. Since most of the larger business concerns are now carrying large cash balances and hence have no need to borrow for working capital requirements, it is probable that the expansion of commercial loans will continue to be slow for some time.

Lacking an effective demand for short term credit, the commercial banks have continued to stock up on Treasury obligations. On September 2, the reporting member bank holdings of Federal Government securities aggregated $10,499,000,000, an increase of $289,000,000 since May 27, and of $1,552,000,000 since a year ago. This undesirable trend seems certain to continue so long as the federal budget remains unbalanced.

No change has taken place in the Federal Reserve Bank's easy money discount policy. Rediscount rates continue to hold at the lowest levels in the history of the system and no open market buying or selling occurred during the past three months. Short term money market interest rates continued to be extremely low. The 50 per cent increase in legal reserve requirements on August 15 did not even cause any tightening of these markets and low interest rates appear to be assured for some time to come.

Both stock and bond prices have continued to advance during the summer months. The Dow-Jones average of 70 leading common stocks rose from 55.41 on June 1 to 61.49 on September 16. Buying, which has not been in heavy volume, has been largely for cash and inspired by improving corporate earning prospects and anticipated dividend increases resulting from the new taxes penalizing undistributed corporation earnings. The Dow-Jones average of 40 high grade bond prices has moved steadily into new high ground, reaching 104.59 on September 16. The strength of the bond market reflects the enormous oversupply of investment funds and seems certain to continue for months to come despite a pronounced pickup in new corporate security offerings recently in evidence.

J. C. DOLLEY.

Cotton

For the first time in over 100 years the United States is experiencing the disadvantages of a cotton producing country which does not have sufficient production to dominate world prices. When the United States produced close to 60 per cent of the world's cotton, a short crop in this country was compensated for by a corresponding rise in price. Now that the United States is producing only about 40 per cent of world cotton, a large part of that advantage has been lost and cotton growers may now experience all the disadvantages of widely fluctuating income resulting from a short crop and a comparatively low price at the same time.

This year the United States has had a sharp reduction in supply without a corresponding rise in price. On August 8 the estimated crop in the United States was 12,461,000 bales, and the price of New Orleans middling spot cotton closed on that date at 12.42 cents. On September 8, the date of the last Government report, the estimate was reduced 1,361,000 bales to 11,100,000 bales. Moreover, the estimated world supply of American cotton as of September 1 was about 2,500,000 bales less than on September 1 last year, which should normally cause an advance in the price from then to now of about 350 points. On September 8, however, the price of New Orleans spot closed at 12.52 cents, only 10 points above the price a month earlier.

There are a number of reasons which may be offered in explanation of this small advance in the price of

American cotton in view of the large reduction in the estimate of the crop; but the fundamental ones are that foreign producers are now supplying more than enough cotton to make up for our reduced production, and, because of our tariffs, most foreign buyers either prefer or are forced to buy raw cotton from our competitors. War clouds in Europe are a drag on the market, but to date exports are ahead of last year. Best estimates now indicate another record breaking foreign crop—this time of over 16,000,000 bales of commercial cotton. The significance of this figure is brought out by the facts that in 1931–32 foreign production was only 9,587,000 bales and the all time high prior to the depression was only 11,881,000 bales.

Let us translate the world cotton situation into terms of income and spending power of Texas farmers. The September 8 estimate of Texas cotton production was 3,036,000 bales, which at present prices has a farm value of about $170,000,000. Last year at this time the indicated farm value of the 3,467,000 bales forecasted for Texas was about $175,000,000. The actual dollar income to Texas cotton growers from lint cotton last year was about $160,000,000. The lowest dollar income from lint cotton in Texas during the depression was $140,000,000 in 1932–33.

The significance of the cotton situation in Texas is best shown by comparing these incomes with pre-depression incomes of Texas cotton growers. The average income to Texas cotton growers from lint cotton during the three calendar years prior to the depression was about $417,000,000. A part of this decline of $257,000,000, or about 60 per cent in income from cotton has been offset to a small extent by Government subsidies to grow less cotton. In 1934 these subsidies to cotton growers amounted to $34,000,000, a little over $30,000,000 in 1935, and probably not to exceed $25,000,000 this year.

A correct and most striking way to illustrate the tremendous decline in the income from cotton in Texas is to show it in grains of gold. This year's crop, valued according to present Government estimates of production and present prices, is worth about 2,300,000,000 grains of gold. The 1932–33 crop, the lowest in terms of dollar income, brought 3,250,000,000 grains of gold. The average value of lint cotton produced in Texas during the three years prior to the depression was about 9,670,000,000 grains of gold. This means that this year may see a new low income for Texas cotton in terms of gold.

The buying power and debt paying ability of farm income is the most fundamental consideration. Measured in terms of buying power of the dollar in 1926, the average value of lint cotton produced in Texas during the three pre-depression years was about $434,000,000, the 1932–33 value, about $220,000,000, and the 1935–36 value, about $200,000,000. When cotton benefit payments are added to the lint cotton income, the total buying power is raised to about $238,000,000.

The significance of the above figures to Texas becomes all the more impressive when it is realized that 38.1 per cent of the gainfully employed workers in Texas in 1930 were in agriculture, and that on an average about 56 per cent of agricultural cash income in Texas comes from cotton and cotton seed, which constitute nearly 80 per cent of the cash income from crops of all kinds.

As already suggested, a portion of the loss in cash income from cotton and other farm enterprises has been made up by Federal subsidy payments of various sorts. Since the duration of these subsidies is at best uncertain, the gravity of the situation becomes manifest. In many sections of Texas over 90 per cent of the farm cash income comes from cotton.

This page in the October issue of the REVIEW will be devoted to an analysis of the world demand for cotton.

A. B. Cox.

COTTON BALANCE SHEET

Indicated supplies of cotton in the United States September 1 were 15,775,000 bales, compared with 17,986,000 bales on this date last year. The supplies this year were the lowest since 1927, when the supply was 15,525,000 bales. The price in 1927 was 22.50 cents, compared with 12.00 cents now. World supplies of American cotton amount to only about 17,500,000 bales.

According to the average of the past seven years, a change of 100,000 bales in the supply of American cotton in the United States and of American cotton in European ports and afloat to Europe causes a change of about 20 points in the index price. If this ratio should hold true now, the decline in these items of 2,162,000 bales should cause the index price of New Orleans middling spot cotton to advance about 430 points. When this index price is adjusted to current price levels and the spinners margin, the indicated price for New Orleans middling spot cotton is about 16.20 cents. When the calculation is based on percentage changes, the calculated price is 14.18 cents. Worked out on the basis of the total world supply of American cotton, the indicated price is 12.87 cents. If the world supply of all cotton is taken into account, the indicated price advance is negligible because indicated world production this year is about equal to last year's record consumption of about 27,250,000 bales. These figures represent most strikingly the effects of increased foreign cotton production and other outside factors on the price of American cotton.

SPINNERS MARGIN

Spinners ratio margin on American cotton, based on the price of 32's twist yarn in Manchester and the price of middling 7/8 inch cotton in Liverpool, was 178 in August, compared with 157.5 in July and 161 in August last year. The average pence margin for August was 4.84 d, compared with 4.25 d in July and 4.01 d in August last year. These figures indicate a strong demand for cotton.

ANNOUNCEMENT

The meeting of the Directors of the Texas State Manufacturers Association will be held at the Adolphus Hotel, Dallas, at 10 A.M., October 7, according to an announcement made by Mr. Porter A. Whaley, Executive Vice-President and General Manager of the Association.

The Canning of Fruits and Vegetables in Texas

According to the records of the Bureau of Business Research as of September 21, 1936, fifty-nine plants are at present established in Texas for the purpose of canning and preserving fruits and vegetables. This number includes manufacturers of pickles and relishes, but does not include manufacturers of vinegar, nor does it include relief canneries.

The *Biennial Census of Manufactures* for 1933 shows a decline for Texas canning establishments from 43 in 1931, to 32 in 1933; however, the value of manufactured products is estimated at $2,636,000 for 1931, and $2,654,000 for 1933.

The increase in the number of canning plants in Texas during 1935 and 1936 is largely attributable to the increased demand for canned citrus fruit products and the growth of the vegetable canning industry in the eastern sections of the State and the Lower Rio Grande Valley. This increase is especially interesting since it is shown that slightly more than one-fourth of the canning plants in Texas closed between 1931 and 1933, and Texas, compared with states in which the canning industry is much older, shows a greater percentage decrease for that period than any of the three states with which Texas is compared.

CANNED AND DRIED FRUITS AND VEGETABLES, PRESERVES, JELLIES, FRUIT BUTTERS, PICKLES, AND SAUCES*

	Texas	California	Maryland	New York	United States
No. of Plants, 1931	43	354	234	252	2,535
No. of Plants, 1933	32	317	182	197	2,072
Decrease, No. Plants	11	37	50	55	463
Percentage Change	−25.58	−10.45	−22.2	−21.83	−18.26

*These figures do not include plants canning fish, oysters, shrimp and other sea foods; plants canning and packing meats, peanut products, or condensed and evaporated milk.

In the Census report showing ninety manufacturing classifications for Texas for 1933, the canning industry ranked twenty-third in number of establishments, and thirtieth in value of products.

STATE	Total No. of Manufacturing Establishments	Average No. Wage Earners, All Industries	No. Canning Plants	Average No. Employed in Canning Industry
Texas	3,648	91,374	32	656
California	8,429	191,861	317	24,357
Maryland	2,476	100,236	182	5,245
New York	25,979	733,452	197	7,039
United States	141,769	6,066,736	2,072	84,274

Source: Biennial Census of Manufactures, 1933.

Canned Citrus Fruits.—The commercial development of the citrus fruit industry in Texas began more than twenty years ago, and the first plant for the canning of grapefruit or grapefruit juice, of which we have record, was established in 1915. At present twenty-one plants located in the Lower Rio Grande Valley report canned citrus products. The remarkable growth of the citrus fresh fruit and canning industry in Texas is largely the result of the fact that Texas grapefruit is generally regarded as superior in quality to either the Florida or California varieties; this is due to the fact that the soil and other environmental features of the Lower Rio Grande Valley are especially suitable for the production of citrus fruits.

The Division of Crop and Livestock Estimates of the United States Department of Agriculture reports that citrus processing in the Rio Grande Valley utilized 24,764 tons of fresh grapefruit during the 1935–36 season, as compared with 15,302 tons during 1934–35. Of this quantity 23,730 tons were used for juice, compared with 15,162 tons used for that purpose in 1934–35; 1,016 tons were canned for fruit, as compared with 140 tons the previous year. The United States exported 208,000 cases of canned grapefruit in 1932, and 883,000 cases in 1935.

At present most of the Valley plants are equipped to can tomatoes and other vegetables as well as citrus products, which enables many of them to continue operations throughout the year except for two or three months, usually including August and September. One concern reports a capacity of 1,000,000 cases of canned products annually and an average of thirty employees. During the canning season, the larger plants employ from 100 to 400 wage earners and average from 1,000 to 4,000 cases of canned fruits or vegetables daily. Although at least five plants indicate that their home offices are located in other states, the great majority of canning plants of all types operating in Texas during the present year have been local organizations.

Proper advertising and sales effort have been reflected in the rapid expansion of the canned grapefruit industry since the first commercial pack was marketed in Florida about fifteen years ago; and as a larger proportion of the consuming public realizes that canned grapefruit possesses certain real advantages over the fresh fruit, greater demands will be made for the canned product. For instance, the saving in space, in storing, greater convenience in handling, and reduction in loss from deterioration are features of the canned product which have proven valuable in marketing and distribution.

It has been demonstrated that the food value of grapefruit is not lessened by canning; also, since the fruit for canning is generally picked later than that gathered for shipping as fresh fruit, the canned product is ripened to a greater degree; it is often of better flavor and is less acid or bitter than much of the fresh fruit. It should be made clear to the consumer that although the fruit classified as "culls" or "grove run" is used mostly for canning purposes, these terms do not imply that the fruit is in any way below standard in quality or food properties. These terms are used to describe fruit which is rejected because it is too large, too small, slightly overripe for shipping, odd shaped, or in some way off-standard for the requirements for shipping as fresh fruit.

Texas grapefruit for the coming season is estimated at 71 per cent normal, and oranges at 76 per cent, com-

pared with 37 per cent grapefruit, and 42 per cent oranges for September 1935, according to the report of the Division of Crop and Livestock Estimates. The largest plant yet constructed for the processing of citrus fruit is being built in the Rio Grande Valley, and it is expected that the output of canned citrus products will greatly exceed that of last year.

Tomatoes.—Of the 2,293,000 bushels of tomatoes produced in Texas during 1935 and valued at $2,732,000, most of this total was shipped out of the State and sold for immediate consumption. During the season of 1936, according to the report of the Federal-State Marketing Service, 4,687 carloads of tomatoes were shipped from Texas points as compared with 4,356 for the 1935 season. There has been a proportionate increase this year in the acreage planted under contract for canning purposes and in the number and capacity of plants canning tomato products. One East Texas factory announced at the beginning of the season that it expected to use from 100 to 150 carloads of tomatoes for canning purposes this year. Although our records are incomplete, nineteen establishments have reported activities in tomato canning for the present year as compared with six reported for the 1933 season. Tomato canning plants in the Rio Grande Valley processed about 900,000 cases of tomatoes during 1936. The combined average daily production for twelve of the larger plants canning tomatoes and other vegetables during the 1936 season was 40,000 cases per day. These plants employed a daily average of 225 persons each during the peak of the canning season.

Spinach.—This vegetable has been produced in Texas for the commercial market for about twenty-five years, and for several years Texas has ranked as the leading state in the Union in the production of this product. The canning of spinach in Texas has developed only in recent years; however, reports received within the past month indicate that during the year 1936 at least eleven canning plants operating in Texas included canned spinach in their list of products. Although thirty-three establishments have reported as engaged in canning vegetables, those mentioning spinach specifically are as follows: Chas. L. Diven, Inc., Weslaco; Griggs Canning Company, Natalia; La Feria Canning Company, La Feria and Donna; A. A. Laughlin, Los Fresnos; Olmito Canning Company, Olmito; Riona Products Company, McAllen and Mission; Rio Grande Valley Canning Company, Edinburg; Schmidt Canning Company, San Benito; and Marshall Canning Company, Sugarland.

Texas produces more than one-half of the spinach in the United States and nearly all of the Texas crop is

RETAIL SALES OF INDEPENDENT STORES IN NEW MEXICO, OKLAHOMA, AND TEXAS

	Number of Firms Reporting Change in Sales From August 1935			From July 1936			Total Number of Firms Reporting	Percentage Change in Dollar Sales	
	Increase	Decrease	Less Than 1% Change	Increase	Decrease	Less Than 1% Change		Aug. 1936 from Aug. 1935	Aug. 1936 from July 1936
TOTAL (New Mexico, Oklahoma, and Texas Combined)	608	336	37	452	495	34	981	+14.1	− 0.1
NEW MEXICO	37	16	2	24	31	....	55	+13.3	− 1.8
OKLAHOMA	111	93	8	62	147	3	212	+ 6.8	− 4.6
TEXAS	460	227	27	366	317	31	714	+15.1	+ 0.6
TEXAS STORES GROUPED BY LINE OF GOODS CARRIED:									
APPAREL	76	11	2	42	45	2	89	+23.5	+ 8.2
Family Clothing Stores	18	4	1	9	12	2	23	+22.8	+ 0.5
Men's and Boys' Clothing Stores	33	1	1	12	23	....	35	+15.1	+ 8.0
Shoe Stores	7	....	....	4	3	....	7	+18.6	+ 1.7
Women's Specialty Shops	18	6	....	17	7	....	24	+31.8	+12.8
AUTOMOTIVE	55	37	2	34	59	1	94	+15.6	− 9.5
Filling Stations	13	12	1	11	14	1	26	+ 5.3	−16.2
Motor Vehicle Dealers	42	25	1	23	45	....	68	+16.1	− 9.2
COUNTRY GENERAL AND FARMERS' SUPPLIES	47	40	3	47	39	4	90	+ 5.1	+ 3.9
DEPARTMENT STORES	38	8	....	25	21	....	46	+14.2	+ 6.4
DRUG STORES	98	53	7	84	59	15	158	+ 6.4	+ 2.7
FOOD	76	41	9	81	40	5	126	+ 6.4	+ 4.9
Grocery Stores	20	8	1	21	5	3	29	+ 6.0	+ 4.6
Grocery-and-Meat Stores	56	33	8	60	35	2	97	+ 6.5	+ 4.9
FURNITURE AND HOUSEHOLD	20	9	1	13	16	1	30	+22.3	− 0.1
Furniture Stores	13	4	1	10	7	1	18	+20.7	+ 4.2
Household Appliance Stores	3	3	....	1	5	....	6	+33.5	−12.0
Other Home Furnishings Stores	4	2	....	2	4	....	6	+12.5	−10.7
JEWELRY STORES	7	2	....	6	2	1	9	+30.1	+ 6.3
LUMBER, BUILDING, AND HARDWARE	32	18	2	24	26	2	52	+20.9	− 0.4
Hardware Stores	16	8	....	17	6	1	24	+18.5	+ 5.8
Lumber and Building Material Dealers	15	9	1	6	18	1	25	+23.3	− 2.1
Other Lumber, Building, and Hardware Stores	1	1	1	1	2	....	3	+ 9.7	−17.5
RESTAURANTS	9	6	1	8	8	....	16	+18.6	− 0.4
ALL OTHER STORES	2	2	....	2	2	....	4	− 9.0	+13.1
TEXAS STORES GROUPED ACCORDING TO POPULATION OF CITY:									
All Stores in Cities of—									
OVER 100,000 POPULATION	123	40	7	75	86	9	170	+18.7	+ 1.5
50,000–100,000 POPULATION	41	19	1	32	29	....	61	+ 9.3	+ 5.0
2,500–50,000 POPULATION	199	98	16	163	137	13	313	+12.7	− 2.9
LESS THAN 2,500 POPULATION	97	70	3	96	65	9	170	+ 4.5	+ 1.8

NOTE: Prepared from reports from independent retail stores to the Bureau of Business Research, coöperating with the United States Department of Commerce.

grown in the Winter Garden area in the four counties of Dimmitt, Maverick, Webb, and Zavala. It is grown in smaller quantities in parts of East Texas, the Coastal section, and the Lower Rio Grande Valley, and is produced mostly on irrigated lands. Crystal City in Zazala County, in the center of the spinach producing section, is sometimes referred to as the "spinach capital of the world."

In 1935 there were 36,000 acres of spinach harvested in Texas which produced 3,780,000 bushels of spinach, valued at $2,192,000. Carlot shipments from Texas amounted to 5,384 for the 1935–36 season reported by the Federal-State Market News Service, on April 18, 1936, compared with 3,570, for the 1934–35 season. Improved methods in recent years for marketing both the fresh and canned spinach have contributed greatly toward the success of this industry in Texas. This is a Texas product which would undoubtedly benefit from well directed advertising.

CLARA H. LEWIS.

NOTE: Canning of Other Products will be discussed in later issues of the REVIEW.

STOCK PRICES

	Aug. 1936	Aug. 1935	July 1936
Standard Indexes of the Securities Markets:			
419 Stocks Combined	113.0	83.0	109.2
347 Industrials	128.4	95.0	124.3
32 Rails	53.9	35.8	50.7
40 Utilities	103.8	80.6	105.8

NOTE: From Standard Statistics Co., Inc.

CEMENT

(In Thousands of Barrels)

	Aug. 1936	Aug. 1935	July 1936
Texas Plants—			
Production	581	261	449
Shipments	509	354	496
Stocks	587	641	515
United States—			
Production	12,535	7,235	11,446
Shipments	12,560	8,105	11,766
Stocks	18,950	22,415	18,975
Capacity Operated	56.2%	31.8%	51.3%

NOTE: From U. S. Department of Interior, Bureau of Mines.

RETAIL SALES OF INDEPENDENT STORES IN TEXAS

	Total Number of Firms Reporting	Percentage Change in Dollar Sales Aug. 1936 from Aug. 1935	Aug. 1936 from July 1936
TOTAL TEXAS	981	+14.1	− 0.1
TEXAS STORES GROUPED BY PRODUCING AREAS:			
DISTRICT 1–N	41	+ 5.3	−16.4
Amarillo	11	+ 9.8	− 5.7
Pampa	4	− 8.1	−30.3
Plainview	7	+11.1	−11.4
All Others	19	+ 7.9	−23.1
DISTRICT 1–S	20	+ 9.9	− 1.4
Lubbock	13	+13.3	− 2.0
All Others	7	− 8.4	+ 2.6
DISTRICT 2	60	− 6.2	−10.1
Abilene	8	+25.0	+ 8.2
Wichita Falls	7	− 7.6	−17.2
All Others	45	−12.9	−12.2

	Total Number of Firms Reporting	Percentage Change in Dollar Sales Aug. 1936 from Aug. 1935	Aug. 1936 from July 1936
DISTRICT 3	15	+ 8.6	− 9.0
Brownwood	3	+19.1	+ 3.7
All Others	12	+ 1.6	−17.0
DISTRICT 4	173	+22.3	+ 4.3
Cleburne	10	+ 3.1	− 5.8
Corsicana	7	+15.5	−12.1
Dallas	44	+28.3	+ 8.1
Fort Worth	22	+20.4	− 2.3
Greenville	3	+13.4	+12.1
Paris	3	+78.0	−14.6
Taylor	9	+ 5.4	+ 5.9
Temple	8	+ 4.1	− 1.7
Waco	14	+ 3.7	+12.9
All Others	53	+ 3.4	+ 2.9
DISTRICT 5	77	+11.1	− 1.7
Longview	6	−10.4	−14.5
Marshall	7	+14.9	+ 6.3
Tyler	7	+23.2	+ 0.1
All Others	57	+ 8.6	− 2.0
DISTRICT 6	36	+ 8.7	− 3.5
El Paso	24	+ 8.2	− 3.3
All Others	12	+13.6	− 5.1
DISTRICT 7	29	+15.4	− 2.1
San Angelo	17	+17.9	− 3.3
All Others	12	+ 7.3	+ 2.4
DISTRICT 8	106	+17.3	+ 3.4
Austin	19	+11.4	+10.5
Corpus Christi	7	+51.6	+ 9.6
San Antonio	28	+17.8	− 0.6
All Others	52	+10.5	+ 6.0
DISTRICT 9	103	+ 9.8	− 2.0
Beaumont	7	+12.4	+ 2.3
Galveston	9	+ 9.4	−12.6
Houston	52	+ 9.4	− 2.4
Port Arthur	12	+10.3	− 1.0
All Others	23	+10.9	+ 5.3
DISTRICT 10	54	+19.3	+16.3
Brownsville	18	+13.5	+ 9.2
Harlingen	7	+43.3	+33.3
All Others	29	+15.4	+14.8

NOTE: Prepared from reports from independent retail stores to the Bureau of Business Research, coöperating with the United States Department of Commerce.

AUGUST CREDIT RATIOS IN TEXAS RETAIL STORES

(Expressed in Per Cent)

	Number of Stores Reporting		Ratio of Credit Sales to Net Sales		Ratio of Collections to Outstandings		Ratio of Credit Salaries to Credit Sales	
	1936	1935	1936	1935	1936	1935	1936	1935
All Stores	58	57	61.5	61.4	32.8	33.2	1.5	1.7
Stores Grouped by Cities:								
Abilene	4	4	57.6	57.6	24.5	22.9	2.1	2.5
Austin	3	3	59.4	56.9	37.1	37.6	1.4	1.4
Beaumont	3	3	64.6	62.8	33.1	34.7	1.8	2.0
Dallas	8	8	67.6	69.3	34.0	32.1	1.3	1.4
Fort Worth	6	6	57.9	55.6	29.9	29.6	1.6	1.8
Galveston	3	¶	59.0	¶	38.2	¶	2.9	¶
Houston	8	8	63.6	60.3	34.7	38.1	1.7	1.9
San Antonio	4	4	54.9	60.1	30.1	37.2	1.0	1.1
Waco	4	4	65.8	66.0	30.8	28.9	1.6	1.6
All Others	15	17	53.5	53.4	33.1	32.1	2.1	2.6
Stores Grouped According to Type of Store:								
Department Stores (Annual Volume Over $500,000)	17	17	61.3	60.6	32.8	33.7	1.4	1.5
Department Stores (Annual Volume Under $500,000)	14	14	59.1	59.4	31.1	27.2	2.4	2.7
Dry Goods–Apparel Stores	4	4	58.8	57.7	25.0	27.5	2.8	3.0
Women's Specialty Shops	9	9	58.7	60.7	30.6	31.9	1.1	1.3
Men's Clothing Stores	14	13	68.4	69.6	38.5	37.9	1.9	2.0
Stores grouped according to Volume of Net Sales during 1935:								
$3,750,000 down to $2,250,000	7	7	60.7	63.9	33.1	35.0	1.1	1.3
$2,250,000 down to $1,000,000	10	10	59.6	62.2	31.1	34.7	1.3	1.5
$1,000,000 down to $275,000	17	17	60.3	56.4	38.2	37.9	2.0	2.1
Less than $275,000	24	23	57.9	59.3	33.2	36.5	3.3	3.5

¶Less than three (3) stores reporting; included in "All Others."

NOTE: The ratios shown for each year, in the order in which they appear from left to right, are obtained by the following computations: (1) Credit sales divided by net sales. (2) Collections during the month divided by the total of accounts unpaid on the first of the month. (3) Salaries of the credit department divided by credit sales.

The data are reported to the Bureau of Business Research by Texas retail stores.

LUMBER

(In Board Feet)

	Aug. 1936	Aug. 1935	July 1936†
Southern Pine Mills:			
Average Weekly Production per Unit	320,481	276,885	309,813
Average Weekly Shipments per Unit	318,035	287,908	313,293
Average Unfilled Orders per Unit, End of Month	777,677	678,028	586,469

†Revised.

NOTE: From Southern Pine Association.

CONSUMPTION OF ELECTRIC POWER IN TEXAS

	Power Consumed (In Thousands of K.W.H.)			Percentage Change Aug. 1936 from Aug. 1935	Percentage Change Aug. 1936 from July 1936
	Aug. 1936	Aug. 1935	July 1936		
Commercial	43,902	37,704	41,480	+16.4	+ 5.8
Industrial	100,252	85,997	94,568	+16.6	+ 6.0
Residential	29,606	25,202	27,835	+17.5	+ 6.4
All Other	26,908	23,187	23,818	+16.0	+13.0
TOTAL	200,668	172,090	187,701	+16.6	+ 6.9

NOTE: Prepared from reports from 17 electric power companies to the Bureau of Business Research.

COTTON MANUFACTURING IN TEXAS

	Aug. 1936	Aug. 1935	July 1936
Bales of Cotton Used	4,507	2,011	4,545
Yards of Cloth:			
Produced	4,362,182	2,214,994	4,913,745
Sold	4,488,086	2,690,936	4,480,499
Unfilled Orders	7,838,318	2,579,570	8,318,653
Active Spindles	108,291	100,404	110,112
Spindle Hours‖	38,979	16,362	40,009

‖In thousands.

NOTE: Reported to the Bureau of Business Research by 12 Texas cotton mills.

TEXAS CHARTERS

	Aug. 1936	Aug. 1935	July 1936
Domestic Corporations:			
Capitalization‖	$2,311	$1,520	$1,571
Number	132	131	128
Classification of new corporations:			
Banking-Finance	3	4	5
Manufacturing	25	19	28
Merchandising	34	29	27
Oil	31	35	27
Public Service	2		3
Real Estate-Building	10	10	17
Transportation	1	8	1
All Others	26	26	20
Number capitalized at less than $5,000	53	58	50
Number capitalized at $100,000 or more	4	3	2
Foreign Corporations (Number)	29	28	36†

†Revised.

‖In thousands.

NOTE: Compiled from records of the Secretary of State.

COMMODITY PRICES

	Aug. 1936	Aug. 1935	July 1936
WHOLESALE PRICES:			
U. S. Bureau of Labor Statistics (1926 = 100)	81.6	80.5	80.5
The Annalist (1913 = 100)	127.8	126.8	125.6
	75.8¶	74.9¶	74.1¶
FARM PRICES:			
U. S. Department of Agriculture (1910–14 = 100)	124.0	106.0	115.0
U. S. Bureau of Labor Statistics (1926 = 100)	83.8	79.3	81.3
RETAIL PRICES:			
Food (U. S. Bureau of Labor Statistics) (1923–25 = 100)	84.0	83.8	84.0

¶Based on exchange quotations for France, Switzerland, and Holland.

AUGUST CARLOAD MOVEMENT OF POULTRY AND EGGS

Shipments from Texas Stations

	Cars of Poultry								Cars of Eggs	
	Live				Dressed					
	Chickens		Turkeys		Chickens		Turkeys			
	1936	1935	1936	1935	1936	1935	1936	1935	1936	1935
TOTAL	—	1	—	—	40	17	—	2	40	43
Intrastate	—	1	—	—	4	2	—	—	3	5
Interstate	—	—	—	—	36	15	—	2	37	38

Interstate Shipments Classified

New York	—	—	—	—	18	8	—	1	—	—
Illinois	—	—	—	—	2	1	—	—	3	1
Massachusetts	—	—	—	—	2	—	—	—	—	2
New Jersey	—	—	—	—	—	1	—	1	1	2
Pennsylvania	—	—	—	—	8	4	—	—	—	3
Louisiana	—	—	—	—	—	—	—	—	13	19
Connecticut	—	—	—	—	—	1	—	—	—	—
Missouri	—	—	—	—	1	—	—	—	3	—
Georgia	—	—	—	—	—	—	—	—	2	5
California	—	—	—	—	—	—	—	—	3	1
Alabama	—	—	—	—	—	—	—	—	9	1
Florida	—	—	—	—	3	—	—	—	1	1
Mississippi	—	—	—	—	—	—	—	—	1	3
Oklahoma	—	—	—	—	2	—	—	—	—	—
D. of Columbia	—	—	—	—	—	—	—	—	1	—

Receipts at Texas Stations

TOTAL	—	—	—	—	3	—	2	—	9	5
Intrastate	—	—	—	—	3	—	2	—	6	1
Interstate	—	—	—	—	—	—	—	—	3	4

Interstate Receipts Classified

Kansas	—	—	—	—	—	—	—	—	—	3
Missouri	—	—	—	—	—	—	—	—	3	1

NOTE: These data are furnished the U. S. Department of Agriculture, Division of Crop and Livestock Estimates, by railway officials through agents at all stations which originate and receive carload shipments of poultry and eggs. The data are compiled by the Bureau of Business Research.

POSTAL RECEIPTS

	Aug. 1936	Aug. 1935	July 1936
Abilene	$ 14,401	$ 11,888	$ 16,601
Amarillo	25,749	23,486	27,638
Austin	49,388	47,776	53,399
Beaumont	20,557	18,476	21,518
Big Spring	4,119	3,997	5,240
Brownwood	4,287	5,323	5,129
Corpus Christi	17,248	13,938	17,518
Dallas	327,069	279,164	336,013
Del Rio	2,780	2,618	2,895
Denison	4,083	3,626	3,952
El Paso	36,748	35,406	39,938
Fort Worth	121,096	105,719	121,039
Galveston	25,360	23,091	26,843
Harlingen	3,849	3,519	4,324
Houston	190,451	180,727	199,010
Jacksonville	2,763	2,238	3,352
Lubbock	11,152	10,400	11,926
McAllen	3,055	2,350	3,569
Palestine	6,194	6,521	4,902
Pampa	5,009	5,385	7,182
Paris	5,415	4,621	5,435
Port Arthur	10,016	8,819	10,092
San Angelo	9,705	8,334	10,473
San Antonio	100,835	92,342	109,345
Sherman	6,367	5,962	7,178
Snyder	1,076	979	1,296
Sweetwater	4,821	4,527	4,588
Tyler	14,740	12,271	15,630
Waco	27,346	26,908	29,268
Wichita Falls	21,066	20,314	20,899
TOTAL	$1,076,745	$ 970,725	$1,126,192

NOTE: Compiled from reports from Texas chambers of commerce to the Bureau of Business Research.

TEXAS COMMERCIAL FAILURES

	Aug. 1936*	Aug. 1935	July 1936
Number	17	29	12
Average Weekly Number	3	7	3
Liabilities‖	$249	$599	$ 54
Assets‖	$ 51	$172	$ 19
Average Liabilities per Failure‖	$ 15	$ 21	$ 5

*Five weeks.
‖In thousands.
NOTE: From Dun and Bradstreet, Inc.

PETROLEUM

Daily Average Production
(In Barrels)

	Aug. 1936	Aug. 1935	July 1936
Coastal Texas¶	258,300	185,800	249,430
East Central Texas	60,450	47,150	55,640
East Texas	432,000	437,300	426,810
North Texas	60,950	57,050	59,450
Panhandle	61,600	54,200	61,470
Southwest Texas	86,350	57,950	84,370
West Central Texas	26,550	25,850	25,680
West Texas	180,600	149,950	179,430
STATE	1,166,800	1,015,250	1,142,280
UNITED STATES	3,033,950	2,679,850	2,945,460
Imports	161,643	120,464	158,806

¶Includes Conroe.
NOTE: From American Petroleum Institute.

Gasoline sales as indicated by taxes collected by the State Comptroller were: July 1936, 100,357,000 gallons; July 1935, 87,906,000 gallons; June 1936, 99,975,000 gallons.

BUILDING PERMITS

	Aug. 1936	Aug. 1935	July 1936
Abilene	$ 30,170	$ 16,054	$ 31,082
Amarillo	69,141	23,358	33,092
Austin	275,887	251,234	349,546
Beaumont	36,320	93,252	76,189
Big Spring	11,688¶	2,720¶	14,670
Brownsville	5,493	940	8,675
Brownwood	250	—	2,882
Corsicana	11,025	25,186	76,480
Dallas	655,827	494,313	623,250
Del Rio	4,125	6,129	9,700
El Paso	46,074	48,681	101,385
Fort Worth	815,585	545,080	761,596
Galveston	67,166	31,468	571,871
Harlingen	26,532¶	56,063¶	8,100
Houston	922,412	765,380	847,705
Jacksonville	4,325	2,450	640
Laredo	11,425	1,800	10,275
Longview	51,170¶	61,000	13,410
Lubbock	65,934	12,609	100,747
McAllen	16,450	6,250	35,300
Marshall	37,719	22,808	23,458
Palestine	15,424	12,290	16,577
Pampa	17,528¶	10,800	19,900
Paris	13,160	2,480	9,540
Port Arthur	86,140	50,602¶	111,825
San Angelo	28,625	10,492	7,275
San Antonio	281,478¶	264,447¶	237,652¶
Sherman	29,979	17,835	39,599
Sweetwater	17,568¶	6,100	10,390
Tyler	95,836	95,843	118,082
Waco	46,616	40,615	90,428
Wichita Falls	17,843	35,825	25,185
TOTAL	$3,814,915	$3,014,104	$4,386,506

¶Does not include public works.
NOTE: Compiled from reports from Texas chambers of commerce to the Bureau of Business Research.

COTTON BALANCE SHEET IN THE UNITED STATES AS OF SEPTEMBER 1

(In Thousands of Running Bales Except as Noted)

	Carryover Aug. 1	Imports to Sept. 1¶	Government Estimate as of Sept. 1§	Total	Consumption to Sept. 1§	Exports to Sept. 1§	Total	Balance Sept. 1
1929–1930	2,313	25	14,825	17,163	559	226	785	16,378
1930–1931	4,530	6	14,340	18,876	353	366	719	18,157
1931–1932	6,369	7	15,685	22,061	425	211	636	21,425
1932–1933	9,682	7	11,310	20,999	404	452	856	20,143
1933–1934	8,176	12	12,414	20,602	589	531	1,120	19,482
1934–1935	7,746	11	9,252	17,009	419	253	672	16,337
1935–1936	7,138	8	11,489	18,635	408	241	649	17,986
1936–1937	5,397	13	11,121	16,531	574	182	756	15,775

The cotton year begins August 1. ¶In 500-pound bales. §In running bales, counting round bales as half bales.

NOTE: The figures have been revised in accordance with the revisions made by the United States Bureau of the Census.

AUGUST SHIPMENTS OF LIVE STOCK CONVERTED TO A RAIL-CAR BASIS§

	Cattle		Calves		Hogs		Sheep		Total	
	1936	1935	1936	1935	1936	1935	1936	1935	1936	1935
Total Interstate Plus Fort Worth¶	1,985	3,441	649	818	449	227	396	397	3,479	4,883
Total Intrastate Omitting Fort Worth	396	789	93	76	57	8	53	120	599	993
TOTAL SHIPMENTS	2,381	4,230	742	894	506	235	449	517	4,078	5,876

TEXAS CAR-LOT§ SHIPMENTS OF LIVE STOCK JANUARY 1, 1936, TO SEPTEMBER 1, 1936

	Cattle		Calves		Hogs		Sheep		Total	
	1936	1935	1936	1935	1936	1935	1936	1935	1936	1935
Total Interstate Plus Fort Worth¶	26,620	28,118	4,391	4,987	4,777	2,364	3,096	2,866	38,884	38,335
Total Intrastate Omitting Fort Worth	5,001	7,931	927	1,190	295	112	309	421	6,532	9,654
TOTAL SHIPMENTS	31,621	36,049	5,318	6,177	5,072	2,476	3,405	3,287	45,416	47,989

§Rail-car Basis: Cattle, 30 head per car; calves, 60; hogs, 80; and sheep, 250.

¶Fort Worth shipments are combined with interstate forwardings in order that the bulk of market disappearance for the month may be shown.

NOTE: These data are furnished the United States Bureau of Agricultural Economics by railway officials through more than 1,500 station agents, representing every live stock shipping point in the State. The data are compiled by the Bureau of Business Research.

BANKING STATISTICS

(In Millions of Dollars)

	Aug. 1936		Aug. 1935		July 1936	
	Dallas District	United States	Dallas District	United States	Dallas District	United States
DEBITS to individual accounts	815*	39,811*	698*	35,393*	672	33,006
Condition of reporting member banks on—	Sept. 2, 1936		Aug. 28, 1935		July 29, 1936	
ASSETS:						
Loans and investments—total	468	22,263	425	19,839	472	22,378
Loans to brokers and dealers:						
In New York City	----	958	----	778	----	907
Outside New York City	2	205	1	160	2	220
Loans on securities to others (except banks)	40	2,014	‡	2,071	41	2,046
Acceptances and commercial paper bought	1	318	2	310	2	319
Loans on real estate	23	1,145	24	1,135	22	1,144
Loans to banks	1	65	‡	75	----	58
Other loans	139	3,749	‡	3,288	135	3,600
U. S. Government direct obligations	178	9,263	162	7,877	191	9,456
Obligations fully guaranteed by U. S. Government	36	1,236	42	1,035	31	1,272
Other securities	48	3,310	42	3,110	48	3,356
Reserve with Federal Reserve Banks	97	5,082	64	4,354	84	4,859
Cash in vault	9	371	9	333	10	385
Due from Domestic banks	175	2,272	‡	2,143	189	2,443
Other assets—net	27	1,307	‡	1,394	27	1,329
LIABILITIES:						
Demand deposits—adjusted	359	14,867	‡	13,263	360	14,850
Time deposits	120	5,032	‡	4,839	120	5,015
U. S. Government deposits	37	820	20	557	37	823
Inter-bank deposits:						
Domestic banks	179	5,860	‡	4,932	184	5,938
Foreign banks	----	407	‡	278	----	422
Borrowings	----	4	‡	1	----	----
Other liabilities	6	805	‡	701	4	861
Capital account	75	3,500	‡	3,492	77	3,485

*Five weeks.

‡Not available.

NOTE: From Federal Reserve Board.

AUGUST EMPLOYMENT AND PAY ROLLS IN TEXAS CLASSIFIED BY CITIES AND EMPLOYMENT GROUPS

Pay Rolls Ending Nearest Fifteenth of Month

	No. of Establishments	Workers			Percentage Change from		Average Weekly Wage per Worker		
		Aug. 1936	Aug. 1935	July 1936	Aug. 1935	July 1936	Aug. 1936	Aug. 1935	July 1936
Abilene	14	229	201	223	+13.9	+ 2.7			
Amarillo	42	934	854	899	+ 9.4	+ 3.9			
Austin	16	237	230	232	+ 3.0	+ 2.2			
Beaumont	29	3,128	3,099	3,302	+ 0.9	− 5.3			
Corpus Christi	6	265	236	266	+12.3	− 0.4			
Dallas	150	10,256	8,820	10,077	+16.3	+ 1.8			
Denison	10	903	801	965	+12.7	− 6.4			
El Paso	59	1,894	1,669	2,030	+13.5	− 6.7			
Fort Worth	68	6,088	5,597	6,389	+ 8.8	− 4.7			
Galveston	11	461	423	455	+ 9.0	+ 1.3			
Houston	144	8,862	8,495	8,753	+ 4.3	+ 1.2			
Laredo	9	156	151	159	+ 3.3	− 1.9			
Lubbock	8	279	252	254	+10.7	+ 9.8			
Port Arthur	10	7,456	7,465	7,616	− 0.1	− 2.1			
San Antonio	118	3,886	3,686	3,823	+ 5.4	+ 1.6			
Sherman	12	760	674	718	+12.8	+ 5.8			
Waco	25	1,173	1,051	1,131	+11.6	+ 3.7			
Wichita Falls	24	699	757	703	− 7.7	− 0.6			
All Other Cities	575	24,395	24,191	24,029	+ 0.8	+ 1.5			
STATE	1,330	72,061	68,652	72,024	+ 5.0	+ 0.1			
BUILDING MATERIALS	75	5,458	4,831	5,280	+13.0	+ 3.4	$20.54	$18.59	$19.74
Brick, Tile, Terra Cotta	9	361	236	350	+53.0	+ 3.1	10.76	8.88	10.27
Cement	7	1,056	840	947	+25.7	+11.5	20.54	18.95	20.12
Foundries, Machine Shops	27	2,163	1,766	2,145	+22.5	+ 0.8	24.66	22.53	23.04
Millwork	12	490	397	440	+23.4	+11.4	19.66	17.15	19.04
Saw Mills	5	920	1,027	958	−10.4	− 4.0	14.90	14.32	15.25
All Other Building Materials	15	468	565	440	−17.2	+ 6.4	20.99	18.59	20.85
CHEMICALS¶	17	269	281	235	− 4.3	+14.5	19.05	17.41	19.60
CLOTHING AND TEXTILES	18	2,042	1,353	1,840	+50.9	+11.0	11.82	10.22	11.27
Cotton Textile Mills	5	918	436	903	+110.6	+ 1.7	12.41	10.50	11.89
Men's Clothing Manufacturing	8	986	805	829	+22.5	+18.9	11.43	9.95	10.72
Women's Clothing Manufacturing	5	138	112	108	+23.2	+27.8	10.72	11.11	10.39
COTTON OIL MILLS	14	282	294	253	− 4.1	+11.5	12.44	11.61	13.28
DISTRIBUTION	491	14,720	13,669	14,883	+ 7.7	− 1.1	21.41	20.26	21.24
Retail Trade	280	9,740	9,268	9,975	+ 5.1	− 2.4	19.19	18.25	19.03
Wholesale Trade	211	4,980	4,401	4,908	+13.2	+ 1.5	25.75	24.48	25.74
FOOD PRODUCTS	71	5,848	5,471	6,085	+ 6.9	− 3.9	19.89	19.63	18.71
Bakeries	19	721	642	713	+12.3	+ 1.1	18.96	17.55	18.50
Beverages	9	223	147	222	+51.7	+ 0.5	22.37	22.34	21.63
Confectioneries	7	169	164	173	+ 3.0	− 2.3	13.95	12.01	14.85
Flour Mills	5	341	366	339	− 6.8	+ 0.6	21.55	20.10	21.95
Ice Cream Factories	5	229	295	231	−22.4	− 0.9	18.95	16.94	18.48
Meat Packing, Slaughtering	7	3,253	2,991	3,350	+ 8.8	− 2.9	21.41	21.72	19.69
All Other Food Products	19	912	866	1,057	+ 5.3	−13.7	15.37	15.69	14.79
FOREST PRODUCTS	14	574	590	575	− 2.7	− 0.2	16.20	14.81	15.63
Paper Box Manufacturing	6	237	257	229	− 7.8	+ 3.5	15.84	14.24	15.80
All Other Forest Products	8	337	333	346	+ 1.2	− 2.6	16.45	15.25	15.51
FURNITURE MANUFACTURING	6	231	164	187	+40.9	+23.5	20.55	19.29	20.44
PETROLEUM	51	20,881	21,555	20,951	− 3.1	− 0.3	27.61	26.90	27.53
Crude Petroleum Producing	17	4,242	5,761	4,093	−26.4	+ 3.6	33.33	31.37	33.32
Petroleum Refining	34	16,639	15,794	16,858	+ 5.4	− 1.3	26.15	25.27	26.12
PRINTING AND PUBLISHING	44	1,359	1,308	1,373	+ 3.9	− 1.0	31.95	31.07	32.29
Commercial Printing	22	366	363	374	+ 0.8	− 2.1	25.12	25.47	24.07
Engraving	6	65	65	64	0.0	+ 1.6	33.29	33.15	37.78
Newspaper Publishing	16	928	880	937	+ 5.5	− 1.0	34.54	33.23	35.19
PUBLIC UTILITIES	375	12,461	11,939	12,408	+ 4.4	+ 0.4	25.54	24.54	26.41
Natural Gas	36	1,556	1,999	1,576	−22.2	− 1.3	22.69	19.86	22.56
Power and Light	292	7,093	6,589	6,901	+ 7.6	+ 2.8	26.52	26.03	27.62
Steam Railroad Car Shops	20	2,522	2,223	2,699	+13.5	− 6.6	24.33	24.78	25.45
All Other Public Utilities	27	1,290	1,128	1,232	+14.4	+ 4.7	26.01	23.66	26.68
SERVICE	81	4,501	4,310	4,464	+ 4.4	+ 0.8	14.61	13.46	14.60
Business and Personal Service	25	592	557	640	+ 6.3	− 7.5	19.17	16.13	17.54
Hotels	27	2,510	2,174	2,440	+15.5	+ 2.9	12.70	11.83	12.45
Ice	9	573	798	520	−28.2	+10.2	19.38	15.32	20.06
Laundries, Dyeing and Cleaning	20	826	781	864	+ 5.8	− 4.4	13.82	14.21	14.03
ALL OTHER INDUSTRIES	73	3,435	2,887	3,488	+19.0	− 1.5	23.82	16.93	22.10
STATE	1,330	72,061	68,652	72,024	+ 5.0	+ 0.1	$23.26	$22.27	$23.13
TOTAL WEEKLY PAY ROLL‖		$ 1,676	$ 1,529	$ 1,666	+ 9.6	+ 0.6			

‖In Thousands.

¶Chemical and Allied Industries not elsewhere classified.

NOTE: Prepared from reports from Texas industrial establishments to the Bureau of Business Research, coöperating with the United States Bureau of Labor Statistics.